



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Chief Administrative Officer

At its meeting held September 28, 2004, the Board took the following action:

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Supervisor Knabe made the following statement:

“On June 22, 2004, the Board considered a joint recommendation from the Chief Administrative Officer and the Department of Beaches and Harbors which: approved and instructed the Chairman to sign an amendment (the “Amendment”) to the Second Amended and Restated Lease No. 55624 for Parcel 125R, Marina City Club, Marina del Rey, which afforded condominium lessees a one-time opportunity to modify their subleases to provide for a temporary freeze on annual rent increases and fixed, rather than variable, future rent increases; provided a mechanism for utilization of accumulated rents to address funding of infrastructure and capital improvements of leasehold facilities; and provided a mechanism for repayment of all deferred and advanced funds, with interest. The Amendment required that all conditions precedent be satisfied by September 30, 2004 in order for it to be effective.

“Currently, 591 of the 600 individual condominium sublessees have executed their sublease amendments, one of the conditions precedent to the effectiveness of the Amendment. However, due to particular circumstances beyond the control of some individual condominium sublessees, approximately 50 of these individual condominium sublessees have been unsuccessful in completing all of the necessary steps to participate in this program.

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“Such reasons include, but are not limited to, errors made in the process of notarizing some sublease amendment documents and non-receipt of lender consent documents because those documents continue to be processed by various lenders. The Marina City Club Home Owners Association is working hard to help the individual condominium sub-lessees resolve their issues.

“While the number of individual condominium sublessees who have timely elected to participate in the program is already greater than the number necessary for the effectiveness of the Amendment, the program will benefit from greater participation of the individual condominium sublessees, and therefore, those sublessees who have executed the sublease amendments but have not completed all necessary steps to participate should be allowed more time to do so.”

Therefore, on motion of Supervisor Knabe, seconded by Supervisor Antonovich, unanimously carried (Supervisors Burke and Yaroslavsky being absent), the Chief Administrative Officer was authorized to:

1. Temporarily waive the requirement in the Amendment to the Second Amended and Restated Lease No. 55624 for Parcel 125R, Marina City Club, for a legal opinion by the condominium owners; and
2. Enter into a further amendment to the Lease that permits participation in the modified sublease program for those condominium sublessees who had executed sublease amendments prior to September 30, 2004, but who did not complete all necessary steps to participate by that date, if all such steps are completed no later than October 20, 2004, and that provides for compliance with the legal opinion requirement if the total number of Category A Units after October 20, 2004 is less than 570, should all other conditions to the effectiveness of the Amendment be complete by September 30, 2004.

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Copies distributed:

Each Supervisor

County Counsel

Director of Beaches and Harbors